



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1863-MC-FFS-D

DATE: December 1, 2017

TO: Iowa Medicaid Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC)

APPLIES TO: Managed Care, Fee-for-Service, Dental

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: FQHC/RHC Rate Floor Update

EFFECTIVE: January 1, 2018

Informational Letter [1562](#)¹ issued October 27, 2015, set the rate floor for Managed Care Organization (MCO) payments to FQHCs and RHCs at the provider specific Benefits Improvement and Protection Act (BIPA) Prospective Payment System (PPS) rate. The BIPA PPS rates are updated annually using the Medicare Economic Index (MEI) factor.

The MEI factor for 2018 is 1.4 percent. Updated provider specific BIPA PPS rates have been calculated and will be provided to MCOs on or before December 1, 2017. The updated rates are effective for services on/after January 1, 2018.

If you have any questions, please contact the IME Provider Cost Audit Unit at 1-866-863-8610, locally in Des Moines at 515-256-4610, or by email at costaudit@dhs.state.ia.us.

¹ https://dhs.iowa.gov/sites/default/files/1562_ManagedCareOrganizationProviderReimbursementRateFloors.pdf

